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**NetDragon Websoft Inc.**

**網龍網絡有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 777)**

## **DISCLOSEABLE TRANSACTION**

### **SUBSCRIPTION OF THE SERIES B PREFERRED SHARES IN 91 LIMITED BY SINO COAST DEVELOPMENTS LIMITED**

On 5 October 2012, 91 Limited, an indirect non-wholly owned subsidiary of the Company, entered into the Sino Coast Subscription Agreement with Sino Coast, pursuant to which 91 Limited shall issue and allot, and Sino Coast shall subscribe for, 1,602,500 Series B Preferred Shares for a total consideration of US\$2,000,000.

The Sino Coast Subscription Transaction constitutes a transaction pursuant to Rule 14.04(1)(a) of the Listing Rules and the applicable percentage ratios (as defined in the Listing Rules) in respect thereof, when aggregated with those of the Note Issuance Transaction, the Series B Transaction and the NetDragon (BVI) Subscription Transaction pursuant to Rule 14.22 of the Listing Rules, are more than 5% but less than 25%. Accordingly, the Sino Coast Subscription Transaction, when aggregated with the Note Issuance Transaction, the Series B Transaction and the NetDragon (BVI) Subscription Transaction, constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

#### **Introduction**

On 5 October 2012, 91 Limited, a non-wholly owned subsidiary of the Company, entered into the Sino Coast Subscription Agreement with Sino Coast, pursuant to which Sino Coast shall subscribe for, and 91 Limited shall issue and allot, 1,602,500 Series B Preferred Shares for a total consideration of US\$2,000,000.

## **The Sino Coast Subscription Agreement**

**Date:** 5 October 2012

**Parties:** (a) Sino Coast, as the subscriber of the Series B Preferred Shares  
(b) 91 Limited, as the issuer of the Series B Preferred Shares

**Capital structure:** Immediately prior to the signing of the Sino Coast Subscription Agreement, 91 Limited has an authorised share capital of US\$20,500 divided into (i) 164,000,000 Ordinary Shares, 80,766,000 of which have been issued to and held by NetDragon (BVI), BOCOM Trustee and participants of the 91 Share Award Scheme; (ii) 15,500,000 Series A Preferred Shares, 15,384,000 of which have been issued to the IDG Investors; and (iii) 25,500,000 Series B Preferred Shares, 22,435,000 of which have been issued to the Series B Investors, the IDG Investors and NetDragon (BVI).

Further details of the capital structure of 91 Limited are set forth in “Shareholding structure of 91 Limited upon completion of the Sino Coast Subscription Transaction” in this announcement.

**Subscription:** Sino Coast shall subscribe for, and 91 Limited shall issue, 1,602,500 Series B Preferred Shares for a total consideration of US\$2,000,000 (approximately HK\$15.52 million).

The consideration of the subscription of 1,602,500 Series B Preferred Shares was determined in accordance with the issued price of per Series B Preferred Share purchased by the Series B Investors and NetDragon (BVI).

**Settlement of the consideration:** The total consideration of US\$2,000,000 (approximately HK\$15.52 million) will be settled by Sino Coast through wire transfer of immediately available fund to a bank account designated by 91 Limited or such other means of payment as Sino Coast and 91 Limited may agree.

**Conditions precedent:**

Completion is subject to the fulfillment of the following conditions, unless waived in writing by 91 Limited or Sino Coast (as the case may be) at Completion, except for conditions (b) and (c) below which may not be waived by any party:-

- (a) the consent of (i) the holders of at least two-thirds (2/3rd) of the Series A Preferred Shares and (ii) the holders of more than two-thirds (2/3rd) of the Series B Preferred Shares in relation to the issuance of the Series B Preferred Shares to Sino Coast having been obtained;
- (b) the approval of the Shareholders, where required and applicable pursuant to the Listing Rules, in relation to the Sino Coast Subscription Agreement and the transactions contemplated thereunder having been obtained;
- (c) all necessary consents, approvals, permits and authorizations, and filing and registration with, the Stock Exchange, the Securities and Futures Commission and/or other relevant government authorities and organisation in relation to the Sino Coast Subscription Agreement and the transactions contemplated thereunder having been obtained or made;
- (d) all necessary shareholder and corporate consents, approvals and authorizations in relation to the Sino Coast Subscription Agreement and the transactions contemplated thereunder having been obtained by Sino Coast and 91 Limited; and
- (e) the representations and warranties made by Sino Coast and 91 Limited shall be true and correct in all material aspects as of the Completion Date.

## **Principal terms of the Series B Preferred Shares to be issued to Sino Coast**

**Issue date:** the Completion Date

**Issue Price:** US\$1.2480499 per Series B Preferred Share

**Preferred dividends:** The Series B Preferred Shares rank in priority to receive non-accumulative dividends declared by 91 Limited in preference and priority to the Series A Preferred Shares, which rank in priority to receive non-accumulative dividends in preference and priority to any Ordinary Shares, in the capital of 91 Limited

### **Liquidation**

#### **Preference:**

In the event of any liquidation event, the holders of the Series B Preferred Shares shall be entitled to receive, prior and in preference to any distribution of any of the proceeds or assets of 91 Limited, to the holders of the Series A Preferred Shares, the Ordinary Shares or any of the class of shares of 91 Limited, an amount per share for each Series B Preferred Share held by them equal to the sum of the Series B Liquidation Preference and all declared but unpaid dividends (if any) on each such Series B Preferred Share

#### **Conversion rights:**

The holders of the Series B Preferred Shares shall have the right to convert the Series B Preferred Shares in whole or in part of the outstanding amount into fully paid and non-assessable Ordinary Shares determined by the Conversion Rate, subject to the adjustment as a result of the followings:

- (i) issue of additional Ordinary Shares in a manner as set out in the Second Amended Memorandum and Articles of Association without a consideration or with consideration per share less than the applicable Conversion Price of Series B Preferred Shares in effect on the date of and immediately prior to such issue;
- (ii) combination or sub-division of Preferred Shares;
- (iii) combination or sub-division of Ordinary Shares;  
and
- (iv) reclassification, exchange and substitution.

Preferred Shares shall automatically be converted into fully paid and non-assessable Ordinary Shares immediately upon (i) the Qualified IPO; (ii) the receipt by 91 Limited of a written request for such conversion for the holders of a majority of Series A Preferred Shares then outstanding or the effective date for conversion specified in such request; or (iii) the receipt by 91 Limited of a written request for such conversion at any time from the holders of more than two-thirds of the Series B Preferred Shares then outstanding

**Redemption:**

91 Limited will, following receipt at any time after the fourth anniversary of the original issue date of Series B Preferred Shares of a written request signed by holders of more than two-thirds of the Series B Preferred Shares then outstanding and subject to the Second Amended Memorandum and Articles of Association, redeem all outstanding Series B Preferred Shares at the Redemption Price

**Voting:**

Except as otherwise expressly provided in the Second Amended Memorandum and Articles of Association or as required by law, the holders of the Series B Preferred Shares shall have the right to receive notice of and to attend general meeting of 91 Limited and vote on all matters on which holders of Series A Preferred Shares and Ordinary Shares shall be entitled to vote

**Reasons and benefits for entering into the Sino Coast Subscription Agreement**

The Board is of the view that certain senior management officers are crucial to the continuous development of the Group and having their participation in the Group's business as shareholders can further strengthen their commitments to the Group. As such, the Board has been encouraging those senior management officers to involve by way of investment in some of the key projects of the Group, including the business of 91 Limited. Furthermore, although 91 Limited has conducted several rounds of fund raising activities in the past twelve months, the provision of additional capital will enhance the capital base of 91 Limited and its subsidiaries for developing new applications and enhancing new contents and services to cope with the rapidly changing Mobile Internet Business.

Accordingly, the Board is of the view that the terms of the transactions contemplated under the Sino Coast Subscription Agreement are fair and reasonable and in the interests of the Shareholders as a whole. The net proceeds from the Sino Coast Subscription Transaction will be used for strengthening general working capital of 91 Limited and its subsidiaries.

### **Fund raising activities of 91 Limited in the past twelve months**

On 21 September 2011, 91 Limited issued the Notes in the amount of US\$3,853,500, US\$787,500 and US\$359,000 to IDG-Accel China Growth Fund L.P., IDG-Accel China Growth Fund-A L.P. and IDG Accel China Investors L.P., respectively pursuant to the Note Purchase Agreement. The Note Conversion took place on 17 February 2012 and 4,006,250 Series B Preferred Shares were issued to the IDG Investors. Details of which are set forth in the announcements of the Company dated 14 September 2011, 21 September 2011, 10 February 2012 and 20 February 2012.

On 15 December 2011 and 30 December 2011, 91 Limited issued 8,012,500, 4,006,250 and 4,006,250 Series B Preferred Shares to Vertex Asia Growth Ltd, IP Cathay II, L.P. and DT Capital China Growth Fund, L.P., respectively in the total consideration of US\$20,000,000. Details of which are set forth in the announcements of the Company dated 9 December 2011, 15 December 2011 and 30 December 2011.

On 17 February 2012, 91 Limited issued 2,403,750 Series B Preferred Shares to NetDragon (BVI) in the consideration of US\$3,000,000. Details of which are set forth in the announcements of the Company dated 10 February 2012 and 20 February 2012.

Save as disclosed, 91 Limited has not conducted any fund raising activity in the past twelve months.

### **Information on Sino Coast, the Group, 91 Limited and the 91 Group Companies**

#### ***Sino Coast***

Sino Coast is wholly-owned by SMP Trustees (NZ) Limited, which is the trustee of The Knightsbridge Trust, a trust set up by the senior management of the Group. The beneficiaries of The Knightsbridge Trust include The Apex Trust and the senior management, but excluding the directors and the chief executives, of the Group.

The Apex Trust is set up by the senior management of the Group with Gloucester (PTC) Limited as the trustee. The beneficiaries of The Apex Trust include the senior management, but excluding the directors and the chief executives, of the Group.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, save for disclosed herein, Sino Coast, SMP Trustees (NZ) Limited, The Knightsbridge Trust, Gloucester (PTC) Limited, The Apex Trust and the ultimate beneficial owners in respect thereof are third parties independent of the Company and the connected persons of the Company.

### *The Group*

The Group is principally engaged in online game development and Mobile Internet Business, including game design, programming and graphics, and online game operation.

### *91 Limited and the 91 Group Companies*

91 Limited is an indirect non-wholly owned subsidiary of the Company and principally engaged in investment holding. The principal operating subsidiaries include, among others, the 91 Group Companies.

Talent Zone is a wholly owned subsidiary of 91 Limited, which, in turn, is a subsidiary of the Company and principally engaged in investment holding.

Fuzhou BoYuan Wireless is a wholly owned subsidiary of Talent Zone, which, in turn, is a subsidiary of the Company and principally engaged in provision of consulting services to Fujian Bo Rui through the Control Documents.

Fujian Bo Rui is an enterprise established under the laws of the PRC, the equity interests are all held by NetDragon (Fujian) and through the Control Documents, Fuzhou BoYuan Wireless is able to control Fujian Bo Rui and accordingly, Fujian Bo Rui is regarded as a subsidiary of Fuzhou BoYuan Wireless. Fujian Bo Rui is principally engaged in the Mobile Internet Business, including the design and development of mobile Internet applications.

Other subsidiaries of 91 Limited are also mainly engaged in activities relating to the Mobile Internet Business in the PRC, including developing and operating the mobile Internet applications and mobile Internet advertising business.

## **Listing Rules implication relating to the Sino Coast Subscription Transaction**

The Sino Coast Subscription Transaction constitutes a transaction pursuant to Rule 14.04(1)(a) of the Listing Rules and the applicable percentage ratios (as defined in the Listing Rules) in respect thereof, when aggregated with those of the Note Issuance Transaction, the Series B Transaction and the NetDragon (BVI) Subscription Transaction, are more than 5% but less than 25%. Accordingly, the Sino Coast Subscription Transaction, when aggregated with the Note Issuance Transaction, the Series B Transaction and the NetDragon (BVI) Subscription Transaction, constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

## **FINANCIAL EFFECTS OF THE SINO COAST SUBSCRIPTION TRANSACTION ON 91 LIMITED AND THE FINANCIAL INFORMATION OF 91 LIMITED AND ITS SUBSIDIARIES**

Upon the completion of the Sino Coast Subscription Transaction, 91 Limited is expected to record a gain on the deemed disposal and to recognize a gain amounting to approximately RMB12,679,000 (approximately HK\$15,530,000) after deducting the professional fees and all related expenses, which gain is subject to adjustment and review by auditors of the Company.

Subject to adjustment and review by auditors, it is estimated that, the unaudited total net liability value of 91 Limited and its subsidiaries was approximately RMB28,895,000 (equivalent to approximately HK\$35,332,000) as at 30 June 2012. The net loss before and after taxation attributable to 91 Limited and its subsidiaries for the year ended 31 December 2011 were approximately RMB15,896,000 and RMB20,315,000, respectively (equivalent to approximately HK\$19,437,000 and HK\$24,840,000, respectively) after taking into account of the estimated fair value loss and finance costs in respect of the issuance of the Preferred Shares, which amounted to approximately RMB21,598,000 (equivalent to approximately HK\$26,409,000).

**SHAREHOLDING STRUCTURE OF 91 LIMITED UPON COMPLETION OF THE SINO COAST SUBSCRIPTION TRANSACTION**

91 Limited will continue to be a subsidiary of the Company following the completion of the Sino Coast Subscription Transaction and the shareholding structure of 91 Limited upon Completion will be as follows:-

<b>Shareholders of 91 Limited</b>	<b>Number of Ordinary Shares/ Preferred Shares</b>	<b>Ownership Percentage %</b>
<i>Ordinary Shares</i>		
NetDragon (BVI)	71,151,000	59.20%
BOCOM Trustee	7,977,034	6.64%
Shares transferred to participants of the 91 Share Award Scheme	1,637,966	1.36%
<i>Series A Preferred Shares</i>		
IDG-Accel China Growth Fund L.P.	11,856,450	9.87%
IDG-Accel China Growth Fund-A L.P.	2,422,980	2.02%
IDG-Accel China Investors L.P.	1,104,570	0.92%
<i>Series B Preferred Shares</i>		
Vertex Asia Investments Pte. Ltd.	8,012,500	6.67%
IP Cathay II, L.P.	4,006,250	3.33%
DT Capital China Growth Fund, L.P.	4,006,250	3.33%
IDG-Accel China Growth Fund L.P.	3,087,617	2.57%
IDG-Accel China Growth Fund-A L.P.	630,984	0.52%
IDG-Accel China Investors L.P.	287,649	0.24%
NetDragon (BVI)	2,403,750	2.00%
Sino Coast	<u>1,602,500</u>	<u>1.33%</u>
<i>Total</i>	<u><u>120,187,500</u></u>	<u><u>100.00%</u></u>

## DEFINITIONS

“91 Group Company(ies)”	Talent Zone, Fuzhou BoYuan Wireless and Fujian Bo Rui which are the principal operating subsidiaries of the 91 Limited
“91 Limited”	91 Limited, a limited liability company incorporated in the Cayman Islands, being an indirect wholly owned subsidiary of the Company
“91 Share Award Scheme”	the share award scheme of 91 Limited approved and adopted by the board of directors of 91 Limited on 28 December 2011, a summary of the principal terms of which is set out in the announcement dated 28 December 2011;
“Board”	the board of Directors
“BOCOM Trustee”	Bank of Communication Trustee Limited, the trustee of the 91 Share Award Scheme
“Completion”	the completion of the Sino Coast Subscription Transaction
“Completion Date”	12 October 2012 or such other date as Sino Coast and 91 Limited shall agree
“Company”	NetDragon Websoft Inc., an exempted company incorporated in the Cayman Islands with limited liability, and the securities of which are listed on the Stock Exchange
“Control Documents”	(i) the cooperation framework agreement; (ii) the equity interest pledged agreement; (iii) agreement for the exclusive right to acquire equity interest and assets; and (iv) the equity holders’ voting rights proxy agreement, entered into NetDragon (Fujian), Fuzhou BoYuan Wireless and/or Fujian Bo Rui, which are contracts cloning the Structure Contracts and pursuant to which, Fuzhou BoYuan Wireless will be able to control Fujian Bo Rui and thereby Fujian Bo Rui will be regarded as a subsidiary of Fuzhou BoYuan Wireless
“Conversion Price”	US\$1.2480499 per share, subject to adjustment

“Conversion Rate”	the number of the Ordinary Shares into which Series B Preferred Shares may be converted into, determined by dividing the issue price for the Series B Preferred Shares by the Conversion Price
“Director(s)”	the director(s) of the Company
“Fujian Bo Rui”	Fujian Bo Rui Websoft Technology Ltd. (福建博瑞網絡科技有限公司), an enterprise established under the laws of the PRC, the equity interests are all held by NetDragon (Fujian) and through the Control Documents, Fuzhou BoYuan Wireless is able to control Fujian Bo Rui and accordingly, Fujian Bo Rui is regarded as a subsidiary of Fuzhou BoYuan Wireless
“Fuzhou BoYuan Wireless”	Fuzhou BoYuan Wireless Websoft Technology Ltd. (福州博遠無綫網絡科技有限公司), a wholly foreign-owned enterprise established under the laws of the PRC and a wholly owned subsidiary of Talent Zone
“Group”	the Company, its subsidiaries and such entities which are considered as subsidiaries of the Company under the applicable accounting standard and policy
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“IDG-Accel China Growth Fund L.P.”	IDG-Accel China Growth Fund L.P., a limited partnership and ultimately owned as to 35.0% by each of Zhou Quan and Ho Chi Sing
“IDG-Accel China Growth Fund-A L.P.”	IDG-Accel China Growth Fund-A L.P., a limited partnership and ultimately owned as to 35.0% by each of Zhou Quan and Ho Chi Sing
“IDG-Accel China Investors L.P.”	IDG-Accel China Investors L.P., a limited partnership and ultimately owned as to 100% by Ho Chi Sing
“IDG Investors”	IDG-Accel China Growth Fund L.P., IDG-Accel China Growth Fund-A L.P., and IDG-Accel China Investors L.P.

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mobile Internet Business”	the business of mobile Internet application product developments (including program development and art design) and mobile Internet advertising business operations
“NetDragon (BVI)”	NetDragon Websoft Inc., a limited liability company incorporated in the British Virgin Islands, being a wholly owned subsidiary of the Company
“NetDragon (BVI) Subscription Transaction”	the subscription of 2,403,750 Series B Preferred Shares by NetDragon (BVI) pursuant to a subscription agreement dated 10 February 2012 entered into between 91 Limited and NetDragon (BVI), further details of which are set forth in the announcements of the Company dated 10 February 2012 and 20 February 2012
“NetDragon (Fujian)”	Fujian NetDragon Websoft Co., Ltd. (福建網龍計算機網絡信息技術有限公司) formerly known as Fuzhou NetDragon Websoft Co., Ltd. (福州網龍計算機網絡信息技術有限公司), a company established in the PRC with limited liability and through the Structure Contracts, TQ Digital and TQ Online are able to control NetDragon (Fujian) and accordingly, regarded as a subsidiary of the Company
“Notes”	the convertible promissory notes issued pursuant to the Note Purchase Agreement
“Note Conversion”	the exercise of the conversion rights pursuant to the terms and conditions of the Notes to convert the Notes into the Series B Preferred Shares, further details of which are set forth in the announcements of the Company dated 10 February 2012 and 20 February 2012
“Note Issuance Transaction”	the transactions contemplated by the Note Purchase Agreement, details of which are set forth in the announcements of the Company dated 14 September 2011 and 21 September 2011
“Note Purchase Agreement”	a note purchase agreement dated 14 September 2011 entered into between the IDG Investors and 91 Limited

“Ordinary Share(s)”	the ordinary share(s) with a par value of US\$0.0001 per share in the share capital of 91 Limited
“percentage ratios”	has the meaning ascribed to it under the Listing Rules
“PRC”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, Macau, Special Administrative Region of the PRC and Taiwan)
“Preferred Share(s)”	the Series A Preferred Share(s) and/or the Series B Preferred Share(s), as the context may require
“Qualified IPO”	the closing of 91 Limited first share offer in a firm commitment underwritten initial public offering that results in such securities being listed or registered on a qualified stock exchange, with pre-offering market capitalization and aggregate net proceeds to 91 Limited as agreed by the IDG Investors and Series B Investors
“Redemption Price”	US\$1.2480499 per Series B Preferred Share plus (i) cumulative rate of return of twelve percent (12%) per annum, and (ii) any declared but unpaid dividends on such Preferred Share
“RMB”	Reminbi, the lawful currency of the PRC
“Second Amended Memorandum and Articles of Association”	the amended and restated articles of association of 91 Limited adopted on 9 December 2011
“Series B Agreement”	the series B preferred share purchase agreement entered into amongst 91 Limited, the 91 Group Companies and the Series B Investors pursuant to which the Series B Investors agreed to purchase and 91 Limited agreed to issue 16,025,000 Series B Preferred Shares
“Series B Investors”	Vertex Asia Growth Ltd (before the Vertex Transfer), Vertex Asia Investments Pte. Ltd. (after the Vertex Transfer), IP Cathay II, L.P. and DT Capital China Growth Fund, L.P.
“Series B Liquidation Preference”	US\$1.2480499 per Series B Preferred Share, subject to adjustment from time to time, plus 12% per cent per annum cumulative rate of return

“Series B Preferred Shares”	Series B Preferred Shares of 91 Limited
“Series B Transaction”	the purchase of the Series B Preferred Shares by the Series B Investors pursuant to Series B Agreement and the transactions contemplated thereunder, details of which are set forth in the announcements of the Company dated 9 December 2011, 15 December 2011 and 30 December 2011.
“Share(s)”	the ordinary share(s) of US\$0.01 each in the share capital of the Company
“Shareholders”	holders of the Shares
“Sino Coast”	Sino Coast Developments Limited, a limited liability company incorporated in the British Virgin Islands
“Sino Coast Subscription Agreement”	the subscription agreement in respect of 1,602,500 Series B Preferred Shares in 91 Limited dated 5 October 2012 entered into between Sino Coast and 91 Limited
“Sino Coast Subscription Transaction”	the subscription of 1,602,500 Series B Preferred Shares by Sino Coast and the transactions contemplated under the Sino Coast Subscription Agreement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Structure Contracts”	contain contracts entered into among the subsidiaries and affiliates of the Company, particulars of which are set out in the “Structure Contracts” in the latest published annual report of the Company
“Talent Zone”	Talent Zone Holdings Limited, a limited liability company incorporated in Hong Kong, a wholly owned subsidiary of 91 Limited
“TQ Digital”	Fujian TQ Digital Inc (福建天晴數碼有限公司), formerly known as Fujian TQ Digital Ind (福建天晴數碼有限公司) and Fuzhou TQ Digital Ind (福州天晴數碼有限公司), a wholly foreign owned enterprise established in the PRC on 28 February 2003, which is indirectly wholly and beneficially owned by the Company

“TQ Online”	Fujian TQ Online Interactive Inc. (福建天晴在綫互動科技有限公司), a wholly foreign owned enterprise established in the PRC on 18 March 2008, which is indirectly wholly and beneficially owned by the Company
“United States”	United States of America
“US\$”	United States dollars, the lawful currency of the United States of America
“Vertex Transfer”	the transfer of all Series B Preferred Shares (being 8,012,500 Series B Preferred Shares) held by Vertex Asia Growth Ltd to Vertex Asia Investments Pte. Ltd., which was completed on 30 August 2012. Both Vertex Asia Growth Ltd and Vertex Asia Investments Pte. Ltd. are wholly-owned by Vertex Venture Holdings Ltd., a third party independent of the Group
“%”	per cent.

*For the purpose of this announcement, conversion of RMB into HK\$ is calculated at the conversion rate of HK\$1.00 to RMB0.81782, and conversion of US\$ into HK\$ is calculated at the conversion rate of HK\$1.00 to US\$0.12887. These conversion rates are for purpose of illustration only and do not constitute a representation that any amounts have been, could have been, or may be, converted at these or any other rates at all.*

By order of the Board  
**NetDragon Websoft Inc.**  
**Liu Dejian**  
*Chairman*

Hong Kong, 8 October 2012

*As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Liu Dejian, Mr. Liu Luyuan, Mr. Zheng Hui and Mr. Chen Hongzhan; one non-executive Director, namely Mr. Lin Dongliang; and three independent non-executive Directors, namely Mr. Chao Guowei, Charles, Mr. Lee Kwan Hung and Mr. Liu Sai Keung, Thomas.*